

## **Dirigo Health Plan Receives Bid from Anthem**

June 11, 2004

AUGUSTA – Governor John E. Baldacci announced today that Anthem Blue Cross and Blue Shield of Maine has submitted a bid seeking to partner with the Dirigo Health Agency and administer the Dirigo Health Plan. The Dirigo Health Plan is designed as a public/private partnership to infuse the small group and individual insurance markets with a competitive, affordable, and high quality health coverage plan.

“This is a big day for Maine as we are a step closer to providing affordable health care through Dirigo. We are very pleased that Anthem has submitted a bid,” said Governor Baldacci. “Anthem is a highly successful company, has a very large presence in Maine and clearly wants to play a role as a good corporate citizen in the state. We think it’s a good business decision to help move the Dirigo Health Plan forward. We look forward to reviewing the proposal and deeply appreciate the thought and effort Anthem has put into their bid.”

On May 7, 2004, under the direction of the Dirigo Health Board of Directors, the Dirigo Health Agency issued a Request for Proposal (RFP) seeking bids from insurance carriers to administer the Dirigo Health Plan. The RFP included specific guidance for the costs and benefits and timeline for rolling out the Dirigo Health Plan. Several health care and insurance experts and consultants were part of this process, including: the actuarial firm, Watson Wyatt; Mathematica Policy Research, LLC; Mercer Consulting; and, USM’s Muskie School of Public Policy.

“A lot of good, quality work has been put into the RFP by a lot of people,” said Tom Dunne, Executive Director of the Dirigo Health Agency. “We are very pleased to receive the bid from Anthem. Anthem is the big player in the small group and individual insurance markets in Maine and we look forward to reviewing their bid.”

As designed, the Dirigo Health Plan will cover comprehensive medical services, including prescription drugs and hospital, physician and specialist visits. It will offer unique benefits to promote wellness such as covering preventive services at 100% and offering \$100 rewards for members who set and achieve health improvement goals under the guidance of their primary care physician. To ensure broad affordability, discounts will be given to members with household incomes less than 300% of the federal poverty level - \$28,000/year for a household of one and \$56,500 for a household of four. Discounts will apply to monthly costs, deductibles and out of pocket maximum costs. The intent is to begin enrollment later this summer. In its first year, the Dirigo Health Plan will be available to businesses with 50 or fewer eligible employees, the self-employed and individuals.

“Getting the bid is the first, important step and we are very pleased Anthem has submitted a proposal,” said Trish Riley, Director of the Governor’s Office of Health Policy and Finance and chief architect of the Dirigo Health Reform Act. “The review process will begin immediately. We know we can work with Anthem and are cautiously optimistic that our expectations will be met in their bid.”

Today was the deadline for submitting a bid. Contents of the bid, the review process, and any negotiations between the bidder and the State will remain confidential as required by State procurement regulations. Representatives from the Dirigo Health Agency, the Department of Human Services and the Governor’s Office of Health Policy and Finance will review the bid. A decision is expected by early July. The Dirigo Health Board of Directors will meet on June 23, 2004, to review the on-going progress.

The Dirigo Health Plan is one component of the Dirigo Health Reform Act. The Reform Act is a comprehensive reform of the State’s health care system and includes measures to control the growth of health care costs, ensure high quality health care statewide, and increase access to quality and affordable coverage. The Reform Act sets a goal of achieving universal access to quality coverage by 2009. For more information, visit [www.healthpolicy.maine.gov](http://www.healthpolicy.maine.gov).